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THE BALTIMORE SUN
16 July 1981

Ex-U.S. Army officer called spy for Soviet

Jacksonville, Fla. (AP)—A man said to have led a double life as a U.S. Army warrant officer and an honorary colonel in the Soviet army was arrested yesterday on charges of selling top-secret coding information to the Soviet Union between January, 1963, and July, 1964.

Joseph George Helmich, 44, who has worked recently installing tile, was held in lieu of \$500,000 bond after U.S. Attorney Gary Betz told a federal magistrate that Mr. Helmich had attained the rank of colonel in the Soviet army.

Mr. Helmich, 44, identified as a native of Fort Lauderdale, Fla., was charged with conspiracy and three counts of espionage, including charges that he sold various coding manuals and equipment to the Soviets for \$131,000. Conviction on each count carries a top penalty of life in prison.

Mr. Helmich appeared unshaken as Mr. Betz argued for high bond at the U.S. District Court session, saying money and escape plans were ready to help Mr. Helmich flee prosecution.

"This individual is an extreme risk to flee the charges alleged against him," Mr. Betz told U.S. Magistrate Howard T. Snyder, who set the bond. "Our investigation has determined that there were funds put away for his use outside the United States."

During the 35-minute court session, the prosecutor did not elaborate on Mr. Helmich's alleged ties with the Soviets, and he declined to do so afterward.

"This defendant received certain honors, including the rank of colonel in the Soviet army," Mr. Betz said.

Mr. Betz and Lawrence Lawler, the agent in charge of the local FBI office, declined to say when the investigation started. But Mr. Lawler did say it took a long time to bring an indictment because the case was complex, involving "bits and pieces of information put together in a giant mosaic."

Both declined to comment on how they became aware of Mr. Helmich's alleged activities.

Mr. Helmich, who moved to the northeast Florida coast about a month ago from Niagara Falls, N.Y., was charged late Tuesday. He was arrested at 7:40 a.m. yesterday without incident at his parents' home, where he lived with his wife and child.

He appeared in court unshaven, wearing blue pants, a short-sleeved shirt and black boots. Telling the magistrate that he was broke, he asked for and received court-appointed counsel. Arraignment was set for this morning.

Mr. Helmich is the third person arrested on spying charges in the United States in a month. Late in June, Marian Zacharski, a 29-year-old Polish businessman, and Hughes Aircraft engineer William Holden Bell were charged with selling U.S. defense documents to Poland. Both pleaded innocent.

The indictment accused Mr. Helmich of selling the Soviet Union secret information, including parts and service manuals for American military coding equipment known as the KL-7 Cryptosystem, which he operated while an Army warrant officer from 1954 to 1966.

Most of the deals took place while Mr. Helmich was based in Paris, the indictment charged. But as late as August, 1980, Mr. Helmich received money from the Soviets "in consideration of his communicating, delivering and transmitting documents, instruments and information" to hide the conspiracy from American authorities, the charges said.

Also last year, the indictment alleged, Mr. Helmich planned and made trips to meet "representatives, officers and agents" of the Soviet Union so he could claim and receive payments held as rewards for past activities and information.

The indictment said that while Mr. Helmich worked in the Army's Signal Corps at Paris in January, 1963, he contacted Russian agents at the Soviet Embassy there and delivered classified information he had obtained while on duty as a warrant officer.

He was trained in "espionage trade-craft, including photography, secret writing and methods of clandestine communications," the indictment said.

He gave the Soviet agents maintenance and operations instructions for the coding system at the Soviet Trade Mission, the indictment said. It said he also delivered "key lists" for the coding system.

Mr. Helmich also "agreed to provide representatives and agents of the Union of Soviet Socialist Republics information in the event of anticipated hostilities," the indictment said.

Mr. Betz and FBI agents said the indictment was part of an extensive investigation but declined to say when it began or whether more charges would be brought.

Mr. Helmich was an employee of Beach Tile Company, in nearby Neptune Beach, Fla., working as an installer for the last five or six weeks at an average \$190 a week, according to Edith Butner, whose husband, William, owns the company.